

**THE HOUSING AND REDEVELOPMENT COMMISSION
OF THE CITY OF PIERRE, SOUTH DAKOTA,
A COMPONENT UNIT OF THE CITY OF
PIERRE, SOUTH DAKOTA**

**FINANCIAL STATEMENTS
(Audited)**

JUNE 30, 2013

**THE HOUSING AND REDEVELOPMENT COMMISSION
OF THE CITY OF PIERRE, SOUTH DAKOTA, A COMPONENT UNIT
OF THE CITY OF PIERRE, SOUTH DAKOTA**

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certified public accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
The Housing and Redevelopment Commission
of the City of Pierre, South Dakota

Report on Financial Statements

We have audited the accompanying financial statements of The Housing and Redevelopment Commission of the City of Pierre, South Dakota, a component unit of the City of Pierre, South Dakota, as of June 30, 2013, and for the year then ended, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Housing and Redevelopment Commission of the City of Pierre, South Dakota, as of June 30, 2013, and the respective changes in financial position, and its cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 10 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise The Housing and Redevelopment Commission of the City of Pierre, South Dakota's basic financial statements. The Commission's Financial Data Schedule (FDS), as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements of The Housing and Redevelopment Commission of the City of Pierre, South Dakota. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements. The financial data schedule and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 26, 2014, on our consideration of The Housing and Redevelopment Commission of the City of Pierre, South Dakota's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Wohlsberg Ritzman & Co., LLC

March 26, 2014
Yankton, South Dakota

***Pierre Housing & Redevelopment Commission
Management's Discussion and Analysis
For the Year Ended June 30, 2013***

Introduction

This Management's Discussion and Analysis (MD&A) of the Pierre Housing & Redevelopment Commission provides an introduction and overview to the financial statements of the Pierre Housing & Redevelopment Commission for the fiscal year ended June 30, 2013. The Pierre Housing & Redevelopment Commission presents this discussion and analysis of its financial performance during the fiscal year ended June 30, 2013, to assist the reader in focusing on significant financial issues.

The primary focus of the Authority's financial statements is on the statements of its single enterprise fund encompassing all programs administered by the Pierre Housing & Redevelopment Commission. The information contained herein this MD&A should be considered in conjunction with the Authority's basic financial statements and related notes to the financial statements.

The Authority has four individual programs. They include the Low Rent Public Housing Program, the Capital Fund Program, the Housing Choice Voucher Program and a Security Deposit Fund program (HOME Investment Partnership).

The Low Rent Program consists of 50 dwelling units. Funding is provided based on dwelling rents paid by the tenants and operating fund payments received by the Department of Housing & Urban Development based on a formula.

The Capital Fund Program is also a formula based program from HUD. The purpose of this program is to provide funding for the modernization and improvement of the Low Rent Public Housing Program. These resources allow the Housing Authority to provide capital improvements for the current dwelling structures and assist in their operations.

The Housing Choice Voucher Program provides rental assistance to aid low income families afford, decent, safe and sanitary rental housing. The Housing Authority provides rental assistance in the form of a housing assistance payment to a landlord on behalf of the tenant. The Housing Authority currently has 203 units available. Funds are provided by HUD to provide rental assistance payments. The Housing Authority is provided an administrative fee for the purpose of covering the administrative costs of the program. The administrative fee is computed by HUD on an annual basis.

Business Activities operates a security deposit program. This program provides low income families with security deposit assistance.

Management's Discussion and Analysis-Cont.

Overview of the Financial Statements

This overview of the financial statement is intended to inform and introduce the reader to the Authority's basic financial statements. The basic financial statements are comprised of three individual statements. These statements include:

- The Balance Sheet
- The Statement of Revenues, Expense, and Changes in Net Position
- The Statement of Cash Flows

The Balance Sheet presents information on the assets and liabilities, with the differences between the two being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial situation of the Authority is improving or deteriorating. Net Position is comprised of three individual components:

- *Investment in Capital Assets* consists of capital asset balances net of accumulated depreciation less any outstanding balances of related debt associated with these assets.
- *Restricted Net Position* consists of assets that are restricted by limitations placed on these assets by an external source or party.
- *Unrestricted Net Position* consists of net position that does not meet the definition of the above categories. Unrestricted net position is basically the amount of funds available for future year appropriations.

The Statement of Revenues, Expenses, and Changes in Net Position reports the operating revenues, operating expenses, non-operating revenues, and non-operating expenses of the Authority for the fiscal year ended June 30, 2013 to determine the change in net position for the fiscal year.

The Statement of Cash Flows report cash activities for the fiscal year resulting from operating activities, investing activities, non-capital financing activities, and capital and related financing activities. The net result of these activities represents the increase or decrease of the cash equivalent account balance for the year ended June 30, 2013.

Management's Discussion and Analysis-Cont.

Financial Highlights

- The Pierre Housing & Redevelopment Commission's total current assets decreased from \$589,354 to \$553,816, a decrease of \$35,538 or 6%. Total current liabilities decreased by \$12,445 or 48%.
- Unrestricted net position decreased to \$512,298 at June 30, 2013. This represents an overall decrease of \$48,223 or 9% from the previous year.
- Restricted net position decreased from \$157,838 to \$17,996, a decrease of \$139,842 or 89%.
- Total revenues increased from \$713,114 to 734,530, an increase of \$21,416 or 3%. Revenues are comprised of rental income, HUD grants, interest income, and other revenue.
- Total expenses decreased by \$60,766 from \$978,267 to \$917,501 for the current year. This represents a decrease of 6%.

Housing Authority Activities & Highlights

The Housing Authority's overall financial position and operations for the past two years are summarized below based on the information in the current and prior financial statements. The table below lists the asset and liability comparisons for the year ended June 30, 2013 and June 30, 2012.

Pierre Housing & Redevelopment Commission (Primary Government)
Summary Statement of Net Position
as of June 30, 2013 and 2012

Table 1 Condensed Statement of Financial Position				
Category	FYE 2013	FYE 2012	Dollar Change	Percentage Change
Current Assets	553,816	589,354	(35,538)	-6.03%
Restricted Assets	17,996	157,838	(139,842)	-88.60%
Capital Assets	698,365	693,271	5,094	0.73%
Total Assets	1,270,177	1,440,463	(170,286)	-11.82%
Other Liabilities	38,203	25,758	12,445	48.32%
Long Term Liabilities	3,315	3,075	240	7.80%
Total Liabilities	41,518	28,833	12,685	43.99%
Investment in Capital Assets	698,365	693,271	5,094	0.73%
Restricted Net Position	17,996	157,838	(139,842)	-88.60%
Unrestricted Net Position	512,298	560,521	(48,223)	-8.60%
Total Net Position	1,228,659	1,411,630	(182,971)	-12.96%

Management's Discussion and Analysis-Cont.

Current Assets

Current assets decreased by \$35,538 from the previous year. Unrestricted cash and certificates of deposit decreased from \$570,587 as of June 30, 2012 to \$529,841 on June 30, 2013. This was a result of deficit operating revenues over operating expenses. Restricted cash decreased from \$157,838 as of June 30, 2012 to \$17,996 on June 30, 2013. This was due to a decrease in HAP Program funding.

Capital Assets

Capital Assets increased due to capital expenditures exceeding depreciation expense. For further details, see following section related to capital assets.

Current Liabilities

Current liabilities increased by \$12,445 due to an overall increase in accruals at year end.

Restricted Net Position

The Authority's restricted net position decreased by \$139,842 from the previous year due to the decrease in HAP Program funding. The restricted Net Position balance for the Housing Authority consists of excess HAP funding.

Unrestricted Net Position

The Authority's unrestricted net position decreased from \$560,521 to \$512,298, a decrease of \$48,223 or 9% for the current year. Unrestricted net position account balances represent the amount available for future appropriations. These balances are subject to specific program guidelines. Individual program balances that comprise the total unrestricted net position balances are as follow:

Low Rent Housing Program	\$ 492,309
Housing Choice Voucher Program	
Administrative Fee Reserve	<u>19,989</u>
Total Unrestricted Net Position	<u>\$ 512,298</u>

Management's Discussion and Analysis-Cont.

Pierre Housing & Redevelopment Commission Summary Statement of Revenues & Expenses and Changes in Net Position Years Ended June 30, 2013 and 2012

Table 2 Condensed Statement of Activities				
Category	FYE 2013	FYE 2012	Dollar Change	Percentage Change
Revenues				
Tenant Revenue	118,337	108,201	10,136	9.37%
HUD Operating Grants	522,520	570,933	(48,413)	-8.48%
Capital Grants	25,088	-	25,088	100.00%
Interest Income	3,890	5,378	(1,488)	-27.67%
Other Revenue	64,695	28,602	36,093	126.19%
Total Revenue	734,530	713,114	21,416	3.00%
Operating Expense				
Administration	175,331	176,721	(1,390)	-0.79%
Tenants Services	3,524	2,836	688	24.26%
Utilities	50,392	57,243	(6,851)	-11.97%
Maintenance and Operation	83,586	96,595	(13,009)	-13.47%
Protective Services	270	446	(176)	-39.46%
General Expense	37,134	44,074	(6,940)	-15.75%
Housing Assistance Payments	488,045	522,629	(34,584)	-6.62%
Depreciation	79,219	77,723	1,496	1.92%
Total Expenses	917,501	978,267	(60,766)	-6.21%
Excess of Revenues Over Expenses	(182,971)	(265,153)	82,182	-30.99%
Beginning Net Position	1,411,630	1,676,783	(265,153)	-15.81%
Ending Net Position	1,228,659	1,411,630	(265,153)	-18.78%

Results of Operations

Revenues increased by \$21,416 from the previous year. Notable changes as compared from the previous year include:

- Other income increased by \$36,093 due to receipt of an insurance settlement.
- HUD operating grant decreased by \$48,413 due primarily to a reduction in the amount of funding received from HUD in both the Low Rent and Housing Choice Voucher Programs..

Management's Discussion and Analysis-Cont.

Expenses decreased by a total of \$60,766 from the previous year. Significant changes from the previous year include:

- HAP expenses decreased by \$34,584. This was due to an decrease in HCV vouchers leased. The PHA leased 1,692 vouchers in the 2012 as compared to 1,672 in the current year.
- All other operating expenses remained relatively unchanged or decreased as budgeted in light of decreasing funding levels.

Capital Assets

As of June 30, 2013, the Pierre Housing & Redevelopment Commission's investment in capital assets was \$98,365. This investment includes land, building, construction in progress, and equipment.

Table 3 Changes in Capital Assets, Net of Depreciation				
Category	FYE 2013	FYE 2012	Dollar Change	Percentage Change
Land	80,645	80,645	-	0.00%
Construction in Progress	6,787.00	-	6,787	100.00%
Buildings	2,495,530	2,419,004	76,526	3.16%
Equipment	203,439	202,439	1,000	0.49%
Accumulated Depreciation	(2,088,036)	(2,008,817)	(79,219)	3.94%
Total Capital Assets, Net	698,365	693,271	5,094	0.73%

The major increase in capital assets for the current year was repair of fire damage to one scattered site unit. The majority of these expenditures were funded through an insurance settlement. Additional capital expenditures were completed as budgeted through the Capital Fund Program.

Long-Term Liabilities

Table 4 Changes in Long-Term Liabilities				
	FYE 2013	FYE 2012	Dollar Change	Percentage Change
Compensated Absences	7,027	6,835	192	2.81%
Total	7,027	6,835	192	2.81%

As of June 30, 2013, the Commission had \$7,027 in compensated absences compared to \$6,835 as of June 30, 2012. Compensated absences represent the amount of vacation and sick leave the Commission's employees are allowed to accumulate.

Management's Discussion and Analysis-Cont.

Economic Factors and Next Year's Budget

Due to continuing HUD budget cuts in the 2014 federal fiscal year, agencies with more than 6 months of expenses in reserve (working capital) may be subject to a further recapture. As a result, revenue from operating subsidy may continue at a lower level in the upcoming fiscal year.

Further decreases in the Housing Choice Voucher Program are expected to continue for the coming year.

Request for Information

This financial report is designed to provide a general overview of the Authority's accountability for all those interested.

If you should have additional questions regarding the financial information, you can contact our office in writing at the following address:

Pierre Housing & Redevelopment Commission
John Stengle Executive Director
PO Box 937
Pierre, SD 57501

**THE HOUSING AND REDEVELOPMENT COMMISSION
OF THE CITY OF PIERRE, SOUTH DAKOTA, A COMPONENT UNIT
OF THE CITY OF PIERRE, SOUTH DAKOTA**

**BALANCE SHEET
JUNE 30, 2013**

ASSETS

Current assets:

Cash and cash equivalents	\$ 108,088
Restricted cash and cash equivalents	17,996
Certificates of deposit	421,753
Accounts receivable - HUD	948
Accounts receivable - tenants, less allowance for doubtful accounts of \$3	48
Accounts receivable - fraud, less allowance for doubtful accounts of \$3,065	340
Interest receivable	739
Prepaid expenses	19,387
Inventories, less allowance for obsolete inventories of \$279	2,513
Total current assets	<u>571,812</u>

Noncurrent assets:

Capital assets:

Land	80,645
Construction in progress	6,787
Buildings and improvements	2,495,530
Furniture and equipment	203,439
Accumulated depreciation	<u>(2,088,036)</u>
Total noncurrent assets	<u>698,365</u>

Total assets	<u>\$ 1,270,177</u>
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LIABILITIES AND NET POSITION

Current liabilities:

Accounts payable - vendors	\$ 3,050
Accrued wages	9,026
Accounts payable - HUD	66
Accounts payable - other governments	8,373
Tenant security deposits	5,913
Deferred revenue	4,508
Other accrued liabilities	3,555

Current portion of noncurrent liabilities:

Accrued compensated absences	<u>3,712</u>
Total current liabilities	38,203

Noncurrent liabilities:

Accrued compensated absences	<u>3,315</u>
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Total Liabilities	<u>41,518</u>
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Net position:

Investment in capital assets	698,365
Restricted for:	
Excess housing assistance payments	17,996
Unrestricted	<u>512,298</u>
Total net position	<u>1,228,659</u>

Total liabilities and net position	<u>\$ 1,270,177</u>
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The accompanying notes are an integral part
of these financial statements.

**THE HOUSING AND REDEVELOPMENT COMMISSION
OF THE CITY OF PIERRE, SOUTH DAKOTA, A COMPONENT UNIT
OF THE CITY OF PIERRE, SOUTH DAKOTA**

**STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
FOR THE YEAR ENDED JUNE 30, 2013**

OPERATING REVENUES	
Dwelling rental	\$ 111,403
Fraud recovery	<u>6,934</u>
Total operating revenues	<u>118,337</u>
OPERATING EXPENSES	
Administration	175,331
Tenant services	3,524
Utilities	50,392
Maintenance and operation	83,586
Protective services	270
General expense	37,134
Housing assistance payments	488,045
Depreciation	<u>79,219</u>
Total operating expenses	<u>917,501</u>
Operating (loss)	<u>(799,164)</u>
NONOPERATING REVENUES	
HUD PHA grants - direct	519,195
HUD PHA grants - pass through	3,325
Other revenue - insurance settlement	61,809
Other revenue	2,886
Investment income	<u>3,890</u>
Total nonoperating revenues	<u>591,105</u>
Income before contributions	(208,059)
Capital contributions	<u>25,088</u>
Change in net assets	(182,971)
Net position - beginning of year	<u>1,411,630</u>
Net position - end of year	<u>\$ 1,228,659</u>

The accompanying notes are an integral part
of these financial statements.

**THE HOUSING AND REDEVELOPMENT COMMISSION
OF THE CITY OF PIERRE, SOUTH DAKOTA, A COMPONENT UNIT
OF THE CITY OF PIERRE, SOUTH DAKOTA**

**STATEMENT OF CASH FLOWS (PAGE 1 OF 2)
FOR THE YEAR ENDED JUNE 30, 2013**

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers	\$ 118,338
Receipts from tenants through escrow	550
Payments to employees	(166,229)
Payments to others for goods and services	(180,616)
Housing assistance payments	<u>(488,045)</u>
Net cash (used in) operating activities	<u>(716,002)</u>

**CASH FLOWS FROM NONCAPITAL FINANCING
ACTIVITIES**

Operating grants received	525,901
Other revenue received	<u>2,886</u>
Net cash provided by noncapital financing activities	<u>528,787</u>

**CASH FLOWS FROM CAPITAL AND RELATED
FINANCING ACTIVITIES**

Capital grants received	25,088
Insurance settlement received	61,809
Acquisition of capital assets	<u>(84,313)</u>
Net cash provided by capital and related financing activities	<u>2,584</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Sale of certificates of deposit	23,999
Interest income	<u>4,043</u>
Net cash provided by investing activities	<u>28,042</u>

Net (decrease) in cash and cash equivalents (156,589)

Balances - beginning of the year 282,673

Balances - end of the year \$ 126,084

RECONCILIATION OF CASH TO THE BALANCE SHEET

Cash and cash equivalents	\$ 108,088
Restricted cash and cash equivalents	17,996
Total Cash	<u>\$ 126,084</u>

The accompanying notes are an integral part
of these financial statements.

**THE HOUSING AND REDEVELOPMENT COMMISSION
OF THE CITY OF PIERRE, SOUTH DAKOTA, A COMPONENT UNIT
OF THE CITY OF PIERRE, SOUTH DAKOTA**

**STATEMENT OF CASH FLOWS PAGE (2 OF 2)
FOR THE YEAR ENDED JUNE 30, 2013**

Reconciliation of operating (loss) to net cash (used in)	
operating activities:	
Operating (loss)	\$ (799,164)
Adjustments to reconcile operating (loss) to net cash	
(used in) operating activities:	
Depreciation expense	79,219
Change in operating assets and liabilities:	
(Increase) decrease in:	
Accounts receivable - tenants	(48)
Accounts receivable - fraud	(100)
Prepaid expenses	(5,128)
Inventories	(50)
Increase (decrease) in:	
Accounts payable	(875)
Accrued expenses	9,253
Accrued compensated absences	192
Prepaid rents	149
Tenant security deposits	<u>550</u>
Net cash (used in) operating activities	\$ <u>(716,002)</u>

The accompanying notes are an integral part
of these financial statements.

**THE HOUSING AND REDEVELOPMENT COMMISSION
OF THE CITY OF PIERRE, SOUTH DAKOTA, A COMPONENT UNIT
OF THE CITY OF PIERRE, SOUTH DAKOTA**

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Housing and Redevelopment Commission of the City of Pierre, South Dakota (the Commission) was organized in 1972 pursuant to the Municipal Housing and Redevelopment Act of South Dakota as a public housing agency formed to provide financial assistance for low income public housing pursuant to the United States Housing Act of 1937, (42 U.S.C. 1401, et seq.). The mayor and city commission appoint the five members of the governing board for five-year staggered terms. The public housing authority (PHA) board elects its own chairperson and recruits and employs its management personnel and other workers. The local governing board of the City of Pierre, South Dakota has the ability to veto or otherwise modify a housing commission's decision to construct a specific project and issue date.

The primary government is the City of Pierre, South Dakota.

The Governmental Accounting Standards Board (GASB) establishes the criteria for defining and reporting on the financial reporting entity. It defines component units as legally separate organizations for which the elected officials of the primary government are financially accountable and other organizations for which the nature and significance of their relationship with a primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The Commission considered all potential component units in determining what organizations should be included in the financial statements. Based on these criteria, there are no component units to include the Commission's financial statements.

Nature of Business

The Commission administers various low-income housing assistance payment programs in Pierre, South Dakota. PAS/LOCCS Project No. SD035-001 operates 50 units; and Project No. SD035VO, is authorized to operate 203 units under the Section 8 Housing Choice Voucher Program.

**THE HOUSING AND REDEVELOPMENT COMMISSION
OF THE CITY OF PIERRE, SOUTH DAKOTA, A COMPONENT UNIT
OF THE CITY OF PIERRE, SOUTH DAKOTA**

**NOTES TO FINANCIAL STATEMENTS - continued
JUNE 30, 2013**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Nature of Business, continued

The Fort Pierre Housing and Redevelopment Commission (FPHRC) has signed a joint powers agreement with The Housing and Redevelopment Commission of the City of Pierre, South Dakota (HRCP). This agreement is to establish various rights and responsibilities between the parties and the HRCP to operate, manage, and administer the HUD Section 8 Rental Assistance Program of the FPHRC of Fort Pierre, Stanley County, South Dakota. No monies have been exchanged or are due as of and for the year ended June 30, 2013.

Basis of Presentation

All activities of the Commission are accounted for within a single proprietary (enterprise) fund. Proprietary funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Measurement Focus and Basis of Accounting

Measurement focus refers to what is being measured, basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the balance sheet and the operating statement present increases (revenues) and decreases (expenses) in net total assets. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized at the time the liability is incurred.

**THE HOUSING AND REDEVELOPMENT COMMISSION
OF THE CITY OF PIERRE, SOUTH DAKOTA, A COMPONENT UNIT
OF THE CITY OF PIERRE, SOUTH DAKOTA**

NOTES TO FINANCIAL STATEMENTS - continued
JUNE 30, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Cash and Cash Equivalents

For purposes of financial statement reporting, the Commission considers all highly liquid investments (including restricted assets) with an original maturity of three months or less when purchased to be cash equivalents. Certificates of deposit, regardless of maturity, are not considered to be cash equivalents.

Accounts Receivable

All tenants accounts receivable are reported net of an allowance for doubtful accounts.

Inventories

Inventories consist of supplies and are reported net of an allowance for obsolescence.

Capital Assets

All acquisitions of property and equipment in excess of \$750 and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized.

Capital assets are recorded at cost. Donated capital assets are valued at their estimated fair value on the date donated. Interest costs incurred during construction of capital assets are capitalized along with other capital asset costs. Depreciation is computed principally by the straight-line method over the following estimated useful lives:

	<u>Years</u>
Buildings	40
Modernization improvements	15
Equipment	3-5

**THE HOUSING AND REDEVELOPMENT COMMISSION
OF THE CITY OF PIERRE, SOUTH DAKOTA, A COMPONENT UNIT
OF THE CITY OF PIERRE, SOUTH DAKOTA**

NOTES TO FINANCIAL STATEMENTS - continued
JUNE 30, 2013

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the entity. For the Commission, these revenues are charges for dwelling rents. Operating expenses are the necessary costs incurred to provide the service that is the primary activity of the entity. Revenues and expenses not meeting these definitions are reported as nonoperating. The primary nonoperating revenue is HUD PHA grants.

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expense during the reporting period. Actual results could differ from those estimates.

Equity Classifications

Equity is classified as net position and displayed in three components:

- a. Investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions of enabling legislation.
- c. Unrestricted net position - All other net position that does not meet the definition of "restricted" or "investment in capital assets".

Application of Net Assets

It is the Commission's policy to first use restricted net position (if any), prior to the use of unrestricted net position, when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

**THE HOUSING AND REDEVELOPMENT COMMISSION
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**NOTES TO FINANCIAL STATEMENTS - continued
JUNE 30, 2013**

2. DEPOSITS AND INVESTMENTS CREDIT RISK, CONCENTRATIONS OF CREDIT RISK AND INTEREST RATE RISK

Various restrictions on deposits and investments are imposed by statutes. These restrictions are summarized below:

Deposits - The Commission's deposits are made in qualified public depositories as defined by SDCL 4-6A-1. Qualified depositories are required by SDCL 4-6A-3 to maintain at all times, segregated from their other assets, eligible collateral having a value equal to at least 100 percent of the public deposit accounts which exceed deposit insurance such as the FDIC and NCUA. In lieu of pledging eligible securities, a qualified public depository may furnish irrevocable standby letters of credit issued by federal home loan banks accompanied by written evidence of that bank's public debt rating which may not be less than "AA" or a qualified public depository may furnish a corporate surety bond of a corporation authorized to do business in South Dakota.

Investments - As stated in SDCL 11-7-31, a commission shall have power to invest any funds held in reserves or debt service funds, or any funds not required for immediate disbursement, in property or securities in which savings banks may legally invest funds subject to their control. In general, SDCL 4-5-6 permits housing authority funds to be invested in (a) securities of the United States and securities guaranteed by the United States government either directly or indirectly; or (b) repurchase agreements fully collateralized by securities described in (a); or in shares of an open-end, no-load fund administered by an investment company whose investments are in securities described in (a) and repurchase agreements described in (b). Also, SDCL 4-5-9 requires that investments shall be in the physical custody of the political subdivision or may be deposited in a safekeeping account with any bank or trust company designated by the political subdivision as its fiscal agent.

Custodial Credit Risk – Deposits – The risk that, in the event of a depository failure, the Commission's deposits may not be returned to it. The Commission does not have a deposit policy for custodial risk. As of June 30, 2013, the Commission's deposits were fully insured or collateralized and were not exposed to custodial credit risk.

Investments – As of June 30, 2013, the Commission had no investments.

Authorized Investments by the Commission - The Commission does not have a formal investment policy that further limits investments beyond those imposed by statutes.

**THE HOUSING AND REDEVELOPMENT COMMISSION
OF THE CITY OF PIERRE, SOUTH DAKOTA, A COMPONENT UNIT
OF THE CITY OF PIERRE, SOUTH DAKOTA**

**NOTES TO FINANCIAL STATEMENTS - continued
JUNE 30, 2013**

3. DEPOSITS AND INVESTMENTS CREDIT RISK, CONCENTRATIONS OF CREDIT RISK AND INTEREST RATE RISK

Interest Rate Risk – The Commission does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk – State law limits eligible investments for the Commission, as discussed above. The Commission has no investment policy that would further limit its investment choices. As of June 30, 2013, the Commission had no investments.

Concentration of Credit Risk – The Commission places no limit on the amount that may be invested in any one issuer. As of June 30, 2013, the Commission had no investments.

3. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2013, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Capital assets not being depreciated:				
Land	\$ 80,645	\$ -	\$ -	\$ 80,645
Construction in progress	-	6,787	-	6,787
Total capital assets not being depreciated	80,645	6,787	-	87,432
Capital assets being depreciated:				
Buildings and improvements	2,419,004	76,526	-	2,495,530
Furniture and equipment	202,439	1,000	-	203,439
Total capital assets being depreciated	2,621,443	77,526	-	2,698,969
Less accumulated depreciation for:				
Buildings and improvements	1,878,233	64,468	-	1,942,701
Furniture and equipment	130,584	14,751	-	145,335
Total accumulated depreciation	2,008,817	79,219	-	2,088,036
Total capital assets being depreciated, net	612,626	(1,693)	-	610,933
Capital assets, net	\$ 693,271	\$ 5,094	\$ -	\$ 698,365

**THE HOUSING AND REDEVELOPMENT COMMISSION
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NOTES TO FINANCIAL STATEMENTS - continued
JUNE 30, 2013

4. PAYMENTS IN LIEU OF TAXES

Payments in lieu of taxes at June 30, 2013 were \$5,765. The payments are 10% of gross rents less utilities.

5. LONG-TERM LIABILITIES

A summary of changes in long-term liabilities follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Compensated absences	<u>\$ 6,835</u>	<u>\$ 8,158</u>	<u>\$ 7,966</u>	<u>\$ 7,027</u>	<u>\$ 3,723</u>

6. RESTRICTED NET POSITION

The following table shows the net position restricted for excess housing assistance payments:

<u>Project</u>	<u>Restricted By</u>	<u>Amount</u>
Housing Choice Vouchers	Grantor Agency	<u>\$ 17,996</u>
Total Restricted Net Position		<u>\$ 17,996</u>

7. RETIREMENT PLAN

All employees, except for part-time employees who work less than twenty hours per week and temporary employees, participate in the South Dakota Retirement System (SDRS), a cost-sharing, multiple employer public employee retirement system established to provide retirement benefits for employees of the State of South Dakota and its political subdivisions. The SDRS provides retirement, disability, and survivors' benefits. The right to receive retirement benefits vests after three years of credited service. Authority for establishing, administering and amending plan provisions are found in South Dakota Codified Law 3-12. The SDRS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the SDRS, P.O. Box 1098, Pierre, South Dakota 57501-1098 or by calling (605) 773-3731.

**THE HOUSING AND REDEVELOPMENT COMMISSION
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**NOTES TO FINANCIAL STATEMENTS - continued
JUNE 30, 2013**

7. RETIREMENT PLAN, continued

General employees are required by state statute to contribute 6% of their salary to the plan. State statute also requires the employer to contribute an amount equal to the employee's contribution. State statute also requires the employer to make an additional contribution in the amount of 6.2 percent for any compensation exceeding the maximum taxable amount for social security for general employees only. The Commission's share of contributions to the SDRS for the fiscal years ended June 30, 2013, 2012 and 2011 was \$7,466, \$7,248 and \$7,037 respectively, equal to the required contributions each year.

8. RISK MANAGEMENT

The Commission is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees, and natural disasters. During the period ended June 30, 2013 the Commission managed its risks as follows:

Employee Health Insurance

The Commission purchases health insurance for its employees from a commercial insurance carrier. Settled claims resulting from these risks have not exceeded the liability coverage during the past three years.

Liability Insurance

The Commission purchases liability insurance risks related to torts, theft, or damage to property; and errors and omissions of public officials from a commercial insurance carrier. Settled claims resulting from these risks have not exceeded the liability coverage during the past three years.

Worker's Compensation

The Commission purchases liability insurance for worker's compensation from a commercial carrier. Settled claims resulting from these risks have not exceeded the liability coverage during the past three years.

Unemployment Benefits

The Commission provides coverage for unemployment benefits by paying into the unemployment compensation fund established by state law and managed by the State of South Dakota.

SUPPLEMENTARY INFORMATION

THE HOUSING AND REDEVELOPMENT COMMISSION OF THE CITY OF PIERRE, SOUTH DAKOTA
Financial Data Schedule
For the Year Ended June 30, 2013

Line Item No.	Description	Total Programs	Elimination	14.850a	14.871	14.239
				Total Low Rent and Capital Fund	Housing Choice Vouchers	HOME Investment Partnership Program
	Balance Sheet					
111	Cash-unrestricted	\$ 523,928	\$ -	\$ 495,530	\$ 28,398	\$ -
112	Cash-restricted-modernization and development	\$ -	\$ -	\$ -	\$ -	\$ -
113	Cash-other restricted	\$ 17,996	\$ -	\$ -	\$ 17,996	\$ -
114	Cash-tenant security deposits	\$ 5,913	\$ -	\$ 5,913	\$ -	\$ -
115	Cash - Restricted for payment of current liability	\$ -	\$ -	\$ -	\$ -	\$ -
100	Total Cash	\$ 547,837	\$ -	\$ 501,443	\$ 46,394	\$ -
121	Accounts receivable - PHA projects	\$ -	\$ -	\$ -	\$ -	\$ -
122	Accounts receivable - HUD other projects	\$ -	\$ -	\$ -	\$ -	\$ -
122-010	Accounts receivable - HUD other projects - Operating Subsidy	\$ 948	\$ -	\$ 948	\$ -	\$ -
122-020	Accounts receivable - HUD other projects - Capital fund	\$ -	\$ -	\$ -	\$ -	\$ -
122-030	Accounts receivable - HUD other projects - Other	\$ -	\$ -	\$ -	\$ -	\$ -
	Total Accounts receivable - HUD other projects	\$ 948	\$ -	\$ 948	\$ -	\$ -
124	Account receivable - other government	\$ -	\$ -	\$ -	\$ -	\$ -
125	Accounts receivable - miscellaneous	\$ -	\$ -	\$ -	\$ -	\$ -
125-010	Account receivable - miscellaneous - Not For Profit	\$ -	\$ -	\$ -	\$ -	\$ -
125-020	Account receivable - miscellaneous - Partnership	\$ -	\$ -	\$ -	\$ -	\$ -
125-030	Account receivable - miscellaneous - Joint Venture	\$ -	\$ -	\$ -	\$ -	\$ -
125-040	Account receivable - miscellaneous - Tax Credit	\$ -	\$ -	\$ -	\$ -	\$ -
125-050	Account receivable - miscellaneous - Other	\$ -	\$ -	\$ -	\$ -	\$ -
125-060	Other - Comment					
	Total Account receivable - miscellaneous	\$ -	\$ -	\$ -	\$ -	\$ -
126	Accounts receivable - tenants	\$ 51	\$ -	\$ 51	\$ -	\$ -
126.1	Allowance for doubtful accounts - tenants	\$ (3)	\$ -	\$ (3)	\$ -	\$ -
126.2	Allowance for doubtful accounts - other	\$ -	\$ -	\$ -	\$ -	\$ -
127	Notes, Loans, & Mortgages Receivable - Current	\$ -	\$ -	\$ -	\$ -	\$ -
128	Fraud recovery	\$ 3,405	\$ -	\$ -	\$ 3,405	\$ -
128.1	Allowance for doubtful accounts - fraud	\$ (3,065)	\$ -	\$ -	\$ (3,065)	\$ -
129	Accrued interest receivable	\$ 739	\$ -	\$ 739	\$ -	\$ -
120	Total receivables, net of allowance for doubtful accounts	\$ 2,075	\$ -	\$ 1,735	\$ 340	\$ -
131	Investments - unrestricted	\$ -	\$ -	\$ -	\$ -	\$ -
132	Investments - restricted	\$ -	\$ -	\$ -	\$ -	\$ -
135	Investments - Restricted for payment of current liability	\$ -	\$ -	\$ -	\$ -	\$ -
142	Prepaid expenses and other assets	\$ 19,387	\$ -	\$ 18,921	\$ 466	\$ -
143	Inventories	\$ 2,792	\$ -	\$ 2,792	\$ -	\$ -
143.1	Allowance for obsolete inventories	\$ (279)	\$ -	\$ (279)	\$ -	\$ -
144	Inter program - due from	\$ -	\$ -	\$ -	\$ -	\$ -
145	Assets held for sale	\$ -	\$ -	\$ -	\$ -	\$ -
150	Total Current Assets	\$ 571,812	\$ -	\$ 524,612	\$ 47,200	\$ -
161	Land	\$ 80,645	\$ -	\$ 80,645	\$ -	\$ -
162	Buildings	\$ 2,495,530	\$ -	\$ 2,495,530	\$ -	\$ -
163	Furniture, equipment and machinery - dwellings	\$ 130,125	\$ -	\$ 130,125	\$ -	\$ -
164	Furniture, equipment and machinery - administration	\$ 73,314	\$ -	\$ 73,314	\$ -	\$ -
165	Leasehold improvements	\$ -	\$ -	\$ -	\$ -	\$ -
166	Accumulated depreciation	\$ (2,088,036)	\$ -	\$ (2,088,036)	\$ -	\$ -
167	Construction in progress	\$ 6,787	\$ -	\$ 6,787	\$ -	\$ -
168	Infrastructure	\$ -	\$ -	\$ -	\$ -	\$ -

THE HOUSING AND REDEVELOPMENT COMMISSION OF THE CITY OF PIERRE, SOUTH DAKOTA
Financial Data Schedule
For the Year Ended June 30, 2013

Line Item No.	Description	Total Programs	Elimination	14.850a	14.871	14.239
				Total Low Rent and Capital Fund	Housing Choice Vouchers	HOME Investment Partnership Program
160	Total capital assets, net of accumulated depreciation	\$ 698,365	\$ -	\$ 698,365	\$ -	\$ -
171	Notes, Loans, & mortgages receivable - Non-current	\$ -	\$ -	\$ -	\$ -	\$ -
171-010	Notes, Loans, & mortgages receivable - Non-current - Not For Profit	\$ -	\$ -	\$ -	\$ -	\$ -
171-020	Notes, Loans, & mortgages receivable - Non-current - Partnership	\$ -	\$ -	\$ -	\$ -	\$ -
171-030	Notes, Loans, & mortgages receivable - Non-current - Joint Venture	\$ -	\$ -	\$ -	\$ -	\$ -
171-040	Notes, Loans, & mortgages receivable - Non-current - Tax Credit	\$ -	\$ -	\$ -	\$ -	\$ -
171-050	Notes, Loans, & mortgages receivable - Non-current - Other	\$ -	\$ -	\$ -	\$ -	\$ -
171-060	Other - Comment					
	Notes, Loans, & mortgages receivable - Non-current	\$ -	\$ -	\$ -	\$ -	\$ -
172	Notes, Loans, & mortgages receivable - Noncurrent - past due					
172-010	Notes, Loans, & mortgages receivable - Non-current - past due - Not For Profit	\$ -	\$ -	\$ -	\$ -	\$ -
172-020	Notes, Loans, & mortgages receivable - Non-current - Partnership	\$ -	\$ -	\$ -	\$ -	\$ -
172-030	Notes, Loans, & mortgages receivable - Non-current - Joint Venture	\$ -	\$ -	\$ -	\$ -	\$ -
172-040	Notes, Loans, & mortgages receivable - Non-current - Tax Credit	\$ -	\$ -	\$ -	\$ -	\$ -
172-050	Notes, Loans, & mortgages receivable - Non-current - Other	\$ -	\$ -	\$ -	\$ -	\$ -
172-060	Other - Comment					
	Notes, Loans, & mortgages receivable - Non-current - past due	\$ -	\$ -	\$ -	\$ -	\$ -
173	Grants receivable - Non-current	\$ -	\$ -	\$ -	\$ -	\$ -
174	Other assets					
174-010	Other assets - Not For Profit	\$ -	\$ -	\$ -	\$ -	\$ -
174-020	Other assets - Partnership	\$ -	\$ -	\$ -	\$ -	\$ -
174-030	Other assets - Joint Venture	\$ -	\$ -	\$ -	\$ -	\$ -
174-040	Other assets - Tax Credit	\$ -	\$ -	\$ -	\$ -	\$ -
174-050	Other assets - Other	\$ -	\$ -	\$ -	\$ -	\$ -
174-060	Other - Comment					
	Other assets	\$ -	\$ -	\$ -	\$ -	\$ -
176	Investment in joint venture					
176-010	Investment in Joint venture - Not For Profit	\$ -	\$ -	\$ -	\$ -	\$ -
176-020	Investment in Joint venture - Partnership	\$ -	\$ -	\$ -	\$ -	\$ -
176-030	Investment in Joint venture - Joint Venture	\$ -	\$ -	\$ -	\$ -	\$ -
176-040	Investment in Joint venture - Tax Credit	\$ -	\$ -	\$ -	\$ -	\$ -
176-050	Investment in Joint venture - Other	\$ -	\$ -	\$ -	\$ -	\$ -
176-060	Other - Comment					
	Investment in joint venture	\$ -	\$ -	\$ -	\$ -	\$ -
180	Total Non-current Assets	\$ 698,365	\$ -	\$ 698,365	\$ -	\$ -
190	Total Assets	\$ 1,270,177	\$ -	\$ 1,222,977	\$ 47,200	\$ -
311	Bank overdraft	\$ -	\$ -	\$ -	\$ -	\$ -
312	Accounts payable <= 90 days	\$ 3,050	\$ -	\$ 2,607	\$ 443	\$ -
313	Accounts payable > 90 days past due	\$ -	\$ -	\$ -	\$ -	\$ -
321	Accrued wage/payroll taxes payable	\$ 9,026	\$ -	\$ 6,825	\$ 2,201	\$ -
322	Accrued compensated absences - current portion	\$ 3,712	\$ -	\$ 2,177	\$ 1,535	\$ -
324	Accrued contingency liability	\$ -	\$ -	\$ -	\$ -	\$ -
325	Accrued interest payable	\$ -	\$ -	\$ -	\$ -	\$ -
331	Accounts payable - HUD PHA Programs					
331-010	Accounts payable - HUD PHA Programs - Operating Subsidy	\$ -	\$ -	\$ -	\$ -	\$ -

THE HOUSING AND REDEVELOPMENT COMMISSION OF THE CITY OF PIERRE, SOUTH DAKOTA
Financial Data Schedule
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Line Item No.	Description	Total Programs	Elimination	14.850a	14.871	14.239
				Total Low Rent and Capital Fund	Housing Choice Vouchers	HOME Investment Partnership Program
331-020	Accounts payable - HUD PHA Programs - Capital fund	\$ -	\$ -	\$ -	\$ -	\$ -
331-030	Accounts payable - HUD PHA Programs - Other	\$ 66	\$ -	\$ -	\$ 66	\$ -
	Accounts payable - HUD PHA Programs	\$ 66	\$ -	\$ -	\$ 66	\$ -
332	Accounts payable - PHA Projects	\$ -	\$ -	\$ -	\$ -	\$ -
333	Accounts payable - other government	\$ 8,373	\$ -	\$ 8,373	\$ -	\$ -
341	Tenant security deposits	\$ 5,913	\$ -	\$ 5,913	\$ -	\$ -
342	Deferred revenue					
342-010	Deferred revenue - Operating Subsidy	\$ -	\$ -	\$ -	\$ -	\$ -
342-020	Deferred revenue - Capital fund	\$ -	\$ -	\$ -	\$ -	\$ -
342-030	Deferred revenue - Other	\$ 4,508	\$ -	\$ 1,158	\$ 3,350	\$ -
	Deferred revenue	\$ 4,508	\$ -	\$ 1,158	\$ 3,350	\$ -
343	Current portion of long-term debt - capital projects/mortgage revenue bonds					
343-010	CFFP	\$ -	\$ -	\$ -	\$ -	\$ -
343-020	Capital Projects/ Mortgage Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Current portion of long-term debt - capital projects/mortgage revenue bonds	\$ -	\$ -	\$ -	\$ -	\$ -
344	Current portion of long-term debt - operating borrowings	\$ -	\$ -	\$ -	\$ -	\$ -
345	Other current liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
346	Accrued liabilities - other	\$ 3,555	\$ -	\$ 3,555	\$ -	\$ -
347	Inter program - due to	\$ -	\$ -	\$ -	\$ -	\$ -
348	Loan liability - current	\$ -		\$ -		
348-010	Loan liability - current - Not For Profit	\$ -	\$ -	\$ -	\$ -	\$ -
348-020	Loan liability - current - Partnership	\$ -	\$ -	\$ -	\$ -	\$ -
348-030	Loan liability - current - Joint Venture	\$ -	\$ -	\$ -	\$ -	\$ -
348-040	Loan liability - current - Tax Credit	\$ -	\$ -	\$ -	\$ -	\$ -
348-050	Loan liability - current - Other	\$ -	\$ -	\$ -	\$ -	\$ -
348-060	Other - Comment					
	Loan liability - current	\$ -	\$ -	\$ -	\$ -	\$ -
310	Total Current Liabilities	\$ 38,203	\$ -	\$ 30,608	\$ 7,595	\$ -
351	Capital Projects/Mortgage Revenue Bonds					
351-010	Long-term debt - CFFP	\$ -	\$ -	\$ -	\$ -	\$ -
351-020	Long-term - Capital Projects/ Mortgage Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Capital Projects/ Mortgage Revenue Bonds	\$ -	\$ -	\$ -	\$ -	\$ -
352	Long-term debt, net of current - operating borrowings	\$ -	\$ -	\$ -	\$ -	\$ -
353	Non-current liabilities - other	\$ -	\$ -	\$ -	\$ -	\$ -
354	Accrued compensated absences- Non-current	\$ 3,315	\$ -	\$ 1,695	\$ 1,620	\$ -
355	Loan liability - Non-current	\$ -		\$ -		
355-010	Loan liability - Non-current - Not For Profit	\$ -	\$ -	\$ -	\$ -	\$ -
355-020	Loan liability - Non-current - Partnership	\$ -	\$ -	\$ -	\$ -	\$ -
355-030	Loan liability - Non-current - Joint Venture	\$ -	\$ -	\$ -	\$ -	\$ -
355-040	Loan liability - Non-current - Tax Credit	\$ -	\$ -	\$ -	\$ -	\$ -
355-050	Loan liability - Non-current - Other	\$ -	\$ -	\$ -	\$ -	\$ -
355-060	Other - Comment					
	Loan liability -- Non-current	\$ -	\$ -	\$ -	\$ -	\$ -
356	FASB 5 Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
357	Accrued Pension and OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -
350	Total Non-current liabilities	\$ 3,315	\$ -	\$ 1,695	\$ 1,620	\$ -
300	Total Liabilities	\$ 41,518	\$ -	\$ 32,303	\$ 9,215	\$ -

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Financial Data Schedule
For the Year Ended June 30, 2013

Line Item No.	Description	Total Programs	Elimination	14.850a	14.871	14.239
				Total Low Rent and Capital Fund	Housing Choice Vouchers	HOME Investment Partnership Program
508.1	Invested in capital assets, net of related debt	\$ 698,365	\$ -	\$ 698,365	\$ -	\$ -
511.1	Restricted Net Assets	\$ 17,996	\$ -	\$ -	\$ 17,996	\$ -
512.1	Unrestricted Net Assets	\$ 512,298	\$ -	\$ 492,309	\$ 19,989	\$ -
513	Total Equity/Net Assets	\$ 1,228,659	\$ -	\$ 1,190,674	\$ 37,985	\$ -
600	Total Liabilities and Equity/Net assets	\$ 1,270,177	\$ -	\$ 1,222,977	\$ 47,200	\$ -

THE HOUSING AND REDEVELOPMENT COMMISSION OF THE CITY OF PIERRE, SOUTH DAKOTA
Financial Data Schedule
For the Year Ended June 30, 2013

Line Item No.	Description	Total Programs	14.850a	14.872	14.871	14.239
			Low Rent	Capital Fund Program	Housing Choice Vouchers	HOME Investment Partnership Program
Income Statement						
70300	Net tenant rental revenue	\$ 108,038	\$ 108,038	\$ -	\$ -	\$ -
70400	Tenant revenue - other	\$ 3,365	\$ 3,365	\$ -	\$ -	\$ -
70500	Total Tenant Revenue	\$ 111,403	\$ 111,403	\$ -	\$ -	\$ -
70600	HUD PHA operating grants	\$ 100,054	\$ 71,316	\$ 28,738	\$ -	\$ -
70600-010	Housing assistance payments	\$ 343,870	\$ -	\$ -	\$ 343,870	\$ -
70600-020	Ongoing administrative fees earned	\$ 75,271	\$ -	\$ -	\$ 75,271	\$ -
70600-030	Hard to house fee revenue	\$ -	\$ -	\$ -	\$ -	\$ -
70600-031	FSS Coordinator	\$ -	\$ -	\$ -	\$ -	\$ -
70600-040	Actual independent public accountant audit costs	\$ -	\$ -	\$ -	\$ -	\$ -
70600-050	Total preliminary fees earned	\$ -	\$ -	\$ -	\$ -	\$ -
70600-060	All other fees	\$ -	\$ -	\$ -	\$ -	\$ -
70600-070	Admin fee calculation description	\$ -	\$ -	\$ -	\$ -	\$ -
	HUD PHA operating grants	\$ 519,195	\$ 71,316	\$ 28,738	\$ 419,141	\$ -
70610	Capital grants	\$ 25,088	\$ -	\$ 25,088	\$ -	\$ -
70710	Management Fee	\$ -	\$ -	\$ -	\$ -	\$ -
70720	Asset Management Fee	\$ -	\$ -	\$ -	\$ -	\$ -
70730	Book-Keeping Fee	\$ -	\$ -	\$ -	\$ -	\$ -
70740	Front Line Service Fee	\$ -	\$ -	\$ -	\$ -	\$ -
70750	Other Fees	\$ -	\$ -	\$ -	\$ -	\$ -
70700	Total Fee Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
70800	Other government grants	\$ 3,325	\$ -	\$ -	\$ -	\$ 3,325
71100	Investment income - unrestricted	\$ -				
71100-010	Housing Assistance Payment	\$ -	\$ -	\$ -	\$ -	\$ -
71100-020	Administrative Fee	\$ 3,890	\$ 3,881	\$ -	\$ 9	\$ -
	Investment income - unrestricted	\$ 3,890	\$ 3,881	\$ -	\$ 9	\$ -
71200	Mortgage interest income	\$ -	\$ -	\$ -	\$ -	\$ -
71300	Proceeds from disposition of assets held for sale	\$ -	\$ -	\$ -	\$ -	\$ -
71310	Cost of sale of assets	\$ -	\$ -	\$ -	\$ -	\$ -
71400	Fraud recovery	\$ -				
71400-010	Housing Assistance Payment	\$ 3,467	\$ -	\$ -	\$ 3,467	\$ -
71400-020	Administrative Fee	\$ 3,467	\$ -	\$ -	\$ 3,467	\$ -
	Fraud recovery	\$ 6,934	\$ -	\$ -	\$ 6,934	\$ -
71500	Other revenue	\$ 64,695	\$ 63,733	\$ -	\$ 962	\$ -
71600	Gain or loss on sale of capital assets	\$ -	\$ -	\$ -	\$ -	\$ -
72000	Investment income - restricted	\$ -				
72000-010	Housing Assistance Payment	\$ -	\$ -	\$ -	\$ -	\$ -
72000-020	Administrative Fee	\$ -	\$ -	\$ -	\$ -	\$ -
	Investment income - restricted	\$ -	\$ -	\$ -	\$ -	\$ -
70000	Total Revenue	\$ 734,530	\$ 250,333	\$ 53,826	\$ 427,046	\$ 3,325
91100	Administrative salaries	\$ 87,730	\$ 39,505	\$ -	\$ 47,930	\$ 295
91200	Auditing fees	\$ 9,013	\$ 5,768	\$ -	\$ 3,245	\$ -
91300	Management Fee	\$ -	\$ -	\$ -	\$ -	\$ -
91310	Book-Keeping Fee	\$ -	\$ -	\$ -	\$ -	\$ -
91400	Advertising and Marketing	\$ 143	\$ 143	\$ -	\$ -	\$ -
91500	Employee benefit contributions - administrative	\$ 29,277	\$ 13,342	\$ -	\$ 15,913	\$ 22
91600	Office Expenses	\$ 10,760	\$ 6,926	\$ -	\$ 3,834	\$ -
91700	Legal Expense	\$ -	\$ -	\$ -	\$ -	\$ -
91800	Travel	\$ 15,542	\$ 10,843	\$ -	\$ 4,699	\$ -
91810	Allocated Overhead	\$ -	\$ -	\$ -	\$ -	\$ -
91900	Other	\$ 22,866	\$ 13,971	\$ -	\$ 8,895	\$ -

THE HOUSING AND REDEVELOPMENT COMMISSION OF THE CITY OF PIERRE, SOUTH DAKOTA
Financial Data Schedule
For the Year Ended June 30, 2013

Line Item No.	Description	Total Programs	14.850a	14.872	14.871	14.239
			Low Rent	Capital Fund Program	Housing Choice Vouchers	HOME Investment Partnership Program
91000	Total Operating-Administrative	\$ 175,331	\$ 90,498	\$ -	\$ 84,516	\$ 317
92000	Asset Management Fee	\$ -	\$ -	\$ -	\$ -	\$ -
92100	Tenant services - salaries	\$ 2,364	\$ 2,364	\$ -	\$ -	\$ -
92200	Relocation Costs	\$ -	\$ -	\$ -	\$ -	\$ -
92300	Employee benefit contributions - tenant services	\$ 176	\$ 176	\$ -	\$ -	\$ -
92400	Tenant services - other	\$ 984	\$ 984	\$ -	\$ -	\$ -
92500	Total Tenant Services	\$ 3,524	\$ 3,524	\$ -	\$ -	\$ -
93100	Water	\$ 13,027	\$ 13,027	\$ -	\$ -	\$ -
93200	Electricity	\$ 9,692	\$ 9,692	\$ -	\$ -	\$ -
93300	Gas	\$ 17,020	\$ 17,020	\$ -	\$ -	\$ -
93400	Fuel	\$ -	\$ -	\$ -	\$ -	\$ -
93500	Labor	\$ -	\$ -	\$ -	\$ -	\$ -
93600	Sewer	\$ 6,876	\$ 6,876	\$ -	\$ -	\$ -
93700	Employee benefit contributions - utilities	\$ -	\$ -	\$ -	\$ -	\$ -
93800	Other utilities expense	\$ 3,777	\$ 3,777	\$ -	\$ -	\$ -
93000	Total Utilities	\$ 50,392	\$ 50,392	\$ -	\$ -	\$ -
94100	Ordinary maintenance and operations - labor	\$ 29,695	\$ 29,695	\$ -	\$ -	\$ -
94200	Ordinary maintenance and operations - materials and other	\$ 18,319	\$ 18,319	\$ -	\$ -	\$ -
94300	Ordinary Maintenance and Operations Contracts	\$ -				
94300-010	Ordinary Maintenance and Operations Contracts - Garbage and Trash Removal Contracts	\$ 6,600	\$ 6,600	\$ -	\$ -	\$ -
94300-020	Ordinary Maintenance and Operations Contracts - Heating & Cooling Contracts	\$ 1,853	\$ 1,853	\$ -	\$ -	\$ -
94300-030	Ordinary Maintenance and Operations Contracts - Snow Removal Contracts	\$ -	\$ -	\$ -	\$ -	\$ -
94300-040	Ordinary Maintenance and Operations Contracts - Elevator Maintenance Contracts	\$ 4,543	\$ 4,543	\$ -	\$ -	\$ -
94300-050	Ordinary Maintenance and Operations Contracts - Landscape & Grounds Contracts	\$ 300	\$ 300	\$ -	\$ -	\$ -
94300-060	Ordinary Maintenance and Operations Contracts - Unit Turnaround Contracts	\$ -	\$ -	\$ -	\$ -	\$ -
94300-070	Ordinary Maintenance and Operations Contracts - Electrical Contracts	\$ 125	\$ 125	\$ -	\$ -	\$ -
94300-080	Ordinary Maintenance and Operations Contracts - Plumbing Contracts	\$ 926	\$ 926	\$ -	\$ -	\$ -
94300-090	Ordinary Maintenance and Operations Contracts - Extermination Contracts	\$ 3,035	\$ 3,035	\$ -	\$ -	\$ -
94300-100	Ordinary Maintenance and Operations Contracts - Janitorial Contracts	\$ 730	\$ 730	\$ -	\$ -	\$ -
94300-110	Ordinary Maintenance and Operations Contracts - Routine Maintenance Contracts	\$ 391	\$ 391	\$ -	\$ -	\$ -
94300-120	Ordinary Maintenance and Operations Contracts - Misc Contracts	\$ 4,560	\$ 4,560	\$ -	\$ -	\$ -
	Ordinary Maintenance and Operations Contracts	\$ 23,063	\$ 23,063	\$ -	\$ -	\$ -
94500	Employee benefit contribution - ordinary maintenance	\$ 12,509	\$ 12,509			
94000	Total Maintenance	\$ 83,586	\$ 83,586	\$ -	\$ -	\$ -
95100	Protective services - labor	\$ -	\$ -	\$ -	\$ -	\$ -
95200	Protective services - other contract costs	\$ 270	\$ 270	\$ -	\$ -	\$ -
95300	Protective services - other	\$ -	\$ -	\$ -	\$ -	\$ -
95500	Employee benefit contributions - protective services	\$ -	\$ -	\$ -	\$ -	\$ -
95000	Total Protective Services	\$ 270	\$ 270	\$ -	\$ -	\$ -
96110	Property Insurance	\$ 10,290	\$ 10,290	\$ -	\$ -	\$ -
96120	Liability Insurance	\$ 1,970	\$ 1,261	\$ -	\$ 709	\$ -
96130	Workmen's Compensation	\$ 2,978	\$ 1,906	\$ -	\$ 1,072	\$ -

THE HOUSING AND REDEVELOPMENT COMMISSION OF THE CITY OF PIERRE, SOUTH DAKOTA
Financial Data Schedule
For the Year Ended June 30, 2013

Line Item No.	Description	Total Programs	14.850a	14.872	14.871	14.239
			Low Rent	Capital Fund Program	Housing Choice Vouchers	HOME Investment Partnership Program
96140	All Other Insurance	\$ 1,558	\$ 1,479	\$ -	\$ 79	\$ -
96100	Total Insurance Premiums	\$ 16,796	\$ 14,936	\$ -	\$ 1,860	\$ -
96200	Other general expenses	\$ 6,412	\$ 3,126	\$ -	\$ 51	\$ 3,235
96210	Compensated absences	\$ 8,158	\$ 4,857	\$ -	\$ 3,301	\$ -
96300	Payments in lieu of taxes	\$ 5,765	\$ 5,765	\$ -	\$ -	\$ -
96400	Bad debt - tenant rents	\$ 3	\$ 3	\$ -	\$ -	\$ -
96500	Bad debt - mortgages	\$ -	\$ -	\$ -	\$ -	\$ -
96600	Bad debt - other	\$ -	\$ -	\$ -	\$ -	\$ -
96800	Severance expense	\$ -	\$ -	\$ -	\$ -	\$ -
96000	Total Other General Expenses	\$ 20,338	\$ 13,751	\$ -	\$ 3,352	\$ 3,235
96710	Interest of Mortgage (or Bonds) Payable	\$ -	\$ -	\$ -	\$ -	\$ -
96720	Interest on Notes Payable (Short and Long Term)	\$ -	\$ -	\$ -	\$ -	\$ -
96730	Amortization of Bond Issue Costs	\$ -	\$ -	\$ -	\$ -	\$ -
96700	Total Interest Expense and Amortization Cost	\$ -	\$ -	\$ -	\$ -	\$ -
96900	Total Operating Expenses	\$ 350,237	\$ 256,957	\$ -	\$ 89,728	\$ 3,552
97000	Excess Revenue Over Operating Expenses	\$ 384,293	\$ (6,624)	\$ 53,826	\$ 337,318	\$ (227)
97100	Extraordinary maintenance	\$ -	\$ -	\$ -	\$ -	\$ -
97200	Casualty losses- Non-capitalized	\$ -	\$ -	\$ -	\$ -	\$ -
97300	Housing assistance payments	\$ -	\$ -	\$ -	\$ -	\$ -
97300-010	Mainstream 1 & 5 year	\$ -	\$ -	\$ -	\$ -	\$ -
97300-020	Home-Ownership	\$ -	\$ -	\$ -	\$ -	\$ -
97300-025	Litigation	\$ -	\$ -	\$ -	\$ -	\$ -
97300-030	Hope IV	\$ -	\$ -	\$ -	\$ -	\$ -
97300-035	Moving to Work	\$ -	\$ -	\$ -	\$ -	\$ -
97300-040	Tenant Protection	\$ 4,404	\$ -	\$ -	\$ 4,404	\$ -
97300-050	All Other	\$ 483,641	\$ -	\$ -	\$ 483,641	\$ -
	Housing assistance payments	\$ 488,045	\$ -	\$ -	\$ 488,045	\$ -
97350	HAP Portability-in	\$ -	\$ -	\$ -	\$ -	\$ -
97400	Depreciation expense	\$ 79,219	\$ 75,674	\$ 3,545	\$ -	\$ -
97500	Fraud losses	\$ -	\$ -	\$ -	\$ -	\$ -
97800	Dwelling units rent expense	\$ -	\$ -	\$ -	\$ -	\$ -
90000	Total Expenses	\$ 917,501	\$ 332,631	\$ 3,545	\$ 577,773	\$ 3,552
10010	Operating transfer in	\$ 28,738	\$ 28,738	\$ -	\$ -	\$ -
10020	Operating transfer out	\$ (28,738)	\$ -	\$ (28,738)	\$ -	\$ -
10030	Operating transfers from / to primary government	\$ -	\$ -	\$ -	\$ -	\$ -
10030-010	Not For Profit	\$ -	\$ -	\$ -	\$ -	\$ -
10030-020	Partnership	\$ -	\$ -	\$ -	\$ -	\$ -
10030-030	Joint Venture	\$ -	\$ -	\$ -	\$ -	\$ -
10030-040	Tax Credit	\$ -	\$ -	\$ -	\$ -	\$ -
10030-050	Other	\$ -	\$ -	\$ -	\$ -	\$ -
10030-060	Other Comment	\$ -	\$ -	\$ -	\$ -	\$ -
10030	Operating transfers from / to primary government	\$ -	\$ -	\$ -	\$ -	\$ -
10040	Operating transfers from / to component unit	\$ -	\$ -	\$ -	\$ -	\$ -
10070	Extraordinary items, net gain/loss	\$ -	\$ -	\$ -	\$ -	\$ -
10080	Special items, net gain/loss	\$ -	\$ -	\$ -	\$ -	\$ -
10091	Inter Project Excess Cash Transfer In	\$ -	\$ -	\$ -	\$ -	\$ -
10092	Inter Project Excess Cash Transfer Out	\$ -	\$ -	\$ -	\$ -	\$ -
10093	Transfers between Programs and Projects - in	\$ -	\$ -	\$ -	\$ -	\$ -
10094	Transfers between Programs and Projects - out	\$ -	\$ -	\$ -	\$ -	\$ -
10100	Total other financing sources (uses)	\$ -	\$ 28,738	\$ (28,738)	\$ -	\$ -

THE HOUSING AND REDEVELOPMENT COMMISSION OF THE CITY OF PIERRE, SOUTH DAKOTA
Financial Data Schedule
For the Year Ended June 30, 2013

Line Item No.	Description	Total Programs	14.850a	14.872	14.871	14.239
			Low Rent	Capital Fund Program	Housing Choice Vouchers	HOME Investment Partnership Program
10000	Excess (Deficiency) of Revenue Over (Under) Expenses	\$ (182,971)	\$ (53,560)	\$ 21,543	\$ (150,727)	\$ (227)
11020	Required Annual Debt Principal Payments	\$ -	\$ -	\$ -	\$ -	\$ -
11030	Beginning equity	\$ 1,411,630	\$ 1,148,287	\$ 74,404	\$ 188,712	\$ 227
11040	Prior period adjustments, equity transfers, and correction of errors	\$ -				
11040-010	Prior period adjustments and correction of errors - Editable	\$ -	\$ -	\$ -	\$ -	\$ -
11040-020	Prior period adjustments and correction of errors - Editable	\$ -	\$ -	\$ -	\$ -	\$ -
11040-030	Prior period adjustments and correction of errors - Editable	\$ -	\$ -	\$ -	\$ -	\$ -
11040-040	Prior period adjustments and correction of errors - Editable	\$ -	\$ -	\$ -	\$ -	\$ -
11040-050	Prior period adjustments and correction of errors - Editable	\$ -	\$ -	\$ -	\$ -	\$ -
11040-060	Prior period adjustments and correction of errors - Editable	\$ -	\$ -	\$ -	\$ -	\$ -
11040-070	Equity Transfers	\$ -	\$ 34,256	\$ (34,256)	\$ -	\$ -
11040-080	Equity Transfers	\$ -	\$ -	\$ -	\$ -	\$ -
11040-090	Equity Transfers	\$ -	\$ -	\$ -	\$ -	\$ -
11040-100	Equity Transfers	\$ -	\$ -	\$ -	\$ -	\$ -
11040-110	Equity Transfers	\$ -	\$ -	\$ -	\$ -	\$ -
	Prior period adjustments, equity transfers, and correction of errors	\$ -	\$ 34,256	\$ (34,256)	\$ -	\$ -
11170	Administrative Fee Equity					
11170-001	Administrative Fee Equity- Beginning Balance	\$ 30,874	\$ -	\$ -	\$ 30,874	\$ -
11170-010	Administrative Fee Revenue	\$ 75,271	\$ -	\$ -	\$ 75,271	\$ -
11170-020	Hard to House Fee Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
11170-021	FSS Coordinator Grant	\$ -	\$ -	\$ -	\$ -	\$ -
11170-030	Audit Costs	\$ -	\$ -	\$ -	\$ -	\$ -
11170-040	Investment Income	\$ 9	\$ -	\$ -	\$ 9	\$ -
11170-045	Fraud Recovery Revenue	\$ 3,467	\$ -	\$ -	\$ 3,467	\$ -
11170-050	Other Revenue	\$ 96	\$ -	\$ -	\$ 96	\$ -
11170-051	Comment for Other Revenue				HAP Portion of Interest Jan '12 - June '12 (\$51) - Other Income (\$45)	
11170-060	Total Admin Fee Revenues	\$ 78,843	\$ -	\$ -	\$ 78,843	\$ -
11170-080	Total Operating Expenses	\$ 89,728	\$ -	\$ -	\$ 89,728	\$ -
11170-090	Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -
11170-095	Housing Assistance Portability In	\$ -	\$ -	\$ -	\$ -	\$ -
11170-100	Other Expenses	\$ -	\$ -	\$ -	\$ -	\$ -
11170-101	Comment for Other Expense					
11170-110	Total Expenses	\$ 89,728	\$ -	\$ -	\$ 89,728	\$ -
11170-002	Net Administrative Fee	\$ (10,885)	\$ -	\$ -	\$ (10,885)	\$ -
11170-003	Administrative Fee Equity- Ending Balance	\$ 19,989	\$ -	\$ -	\$ 19,989	\$ -
11170-005	Pre-2004 Administrative Fee Reserves	\$ 11,678	\$ -	\$ -	\$ 11,678	\$ -
11170-006	Post-2004 Administrative Fee Reserves	\$ 8,311	\$ -	\$ -	\$ 8,311	\$ -
	Administrative Fee Equity	\$ 19,989	\$ -	\$ -	\$ 19,989	\$ -
11180	Housing Assistance Payments Equity					
11180-001	Housing Assistance Payments Equity - Beginning Balance	\$ 157,838	\$ -	\$ -	\$ 157,838	\$ -
11180-010	Housing Assistance Payment Revenues	\$ 343,870	\$ -	\$ -	\$ 343,870	\$ -
11180-015	Fraud Recovery Revenue	\$ 3,467	\$ -	\$ -	\$ 3,467	\$ -
11180-020	Other Revenue	\$ 917	\$ -	\$ -	\$ 917	\$ -

THE HOUSING AND REDEVELOPMENT COMMISSION OF THE CITY OF PIERRE, SOUTH DAKOTA
Financial Data Schedule
For the Year Ended June 30, 2013

Line Item No.	Description	Total Programs	14.850a	14.872	14.871	14.239
			Low Rent	Capital Fund Program	Housing Choice Vouchers	HOME Investment Partnership Program
11180-021	Comment for Other Revenue				Prior Year Voided Checks	
11180-025	Investment Income	\$ -	\$ -	\$ -	\$ -	\$ -
11180-030	Total HAP Revenues	\$ 348,254	\$ -	\$ -	\$ 348,254	\$ -
11180-080	Housing Assistance Payments	\$ 488,045	\$ -	\$ -	\$ 488,045	\$ -
11180-090	Other Expenses	\$ 51	\$ -	\$ -	\$ 51	\$ -
11180-091	Comments for Other Expenses				HAP Portion of Interest Prior Year	
11180-100	Total Housing Assistance Payments Expenses	\$ 488,096	\$ -	\$ -	\$ 488,096	\$ -
11180-002	Net Housing Assistance Payments	\$ (139,842)	\$ -	\$ -	\$ (139,842)	\$ -
11180-003	Housing Assistance Payments Equity-Ending Balance	\$ 17,996	\$ -	\$ -	\$ 17,996	\$ -
	Housing Assistance Payments Equity	\$ 17,996	\$ -	\$ -	\$ 17,996	\$ -
11190	Unit Months Available					
11190-210	Total ACC HCV Units	3,036	600	-	2,436	-
11190-220	Unfunded Units	(713)	-	-	(713)	-
11190-230	Other Adjustments	-	-	-	-	-
11190	Unit Months Available	2,323	600	-	1,723	-
11210	Unit Months Leased	2,264	592	-	1,672	-
11270	Excess Cash	\$ 451,157	\$ 451,157	\$ -	\$ -	\$ -
11610	Land Purchases	\$ -	\$ -	\$ -	\$ -	\$ -
11620	Building Purchases	\$ 83,313	\$ 59,225	\$ 24,088	\$ -	\$ -
11630	Furniture & Equipment-Dwelling Purchases	\$ -	\$ -	\$ -	\$ -	\$ -
11640	Furniture & Equipment-Administrative Purchases	\$ 1,000	\$ -	\$ 1,000	\$ -	\$ -
11650	Leasehold Improvements Purchases	\$ -	\$ -	\$ -	\$ -	\$ -
11660	Infrastructure Purchases	\$ -	\$ -	\$ -	\$ -	\$ -
13510	CFFP Debt Service Payments	\$ -	\$ -	\$ -	\$ -	\$ -
13901	Replacement Housing Factor Funds	\$ -	\$ -	\$ -	\$ -	\$ -

THE HOUSING AND REDEVELOPMENT COMMISSION
OF THE CITY OF PIERRE, SOUTH DAKOTA
Financial Data Schedule
For the Year Ended June 30, 2013

Financial Statements		
Element	Description	Value
G3000-005	Financial Statements Using Basis Other Than GAAP	NO
G3000-010	Fund Opinion(s)	
-	Qualified Opinion	NO
	Unqualified Opinion	YES
-	Adverse Opinion	NO
	Disclaimer Opinion	NO
G3000-020	"Going Concern" Indicator	NO
G3000-030	Significant Deficiency Indicator	NO
G3000-230	Does the Deficiency relate to the Low Rent or Capital Fund?	NO
G3000-240	Enter number of occurrences that relate to the Low Rent or Capital Fund Program.	
G3000-040	Material Weakness Indicator	NO
G3000-250	Does the material weakness relate to the Low Rent or Capital Fund Program?	NO
G3000-260	Enter number of occurrences that relate to the Low Rent or Capital Fund Program.	-
G3000-050	Material Noncompliance Indicator	NO
G3000-270	Does the non-compliance relate to the Low Rent or Capital Fund Program?	NO
G3000-280	Enter number of occurrences that relate to the Low Rent or Capital Fund Program.	
G3000-060	Fraud	NO
G3000-290	Does the activity relate to the Low Rent or Capital Fund Program?	NO
G3000-300	Enter number of occurrences that relate to the Low Rent or Capital Fund Program.	-
G3000-070	Illegal Acts	NO
G3000-310	Does the activity relate to the Low Rent or Capital Fund Program?	NO
G3000-320	Enter number of occurrences that relate to the Low Rent or Capital Fund Program.	
G3000-080	Abuse	NO
G3000-330	Does the activity relate to the Low Rent or Capital Fund Program?	NO
G3000-340	Enter number of occurrences that relate to the Low Rent or Capital Fund Program.	-

THE HOUSING AND REDEVELOPMENT COMMISSION
OF THE CITY OF PIERRE, SOUTH DAKOTA
Financial Data Schedule
For the Year Ended June 30, 2013

Financial Statement Fund Opinion Details		
Element	Description	Details
G3000-200	Fund Type of the fund containing the listed program	MAJOR
G3000-210	Fund Opinion of the fund containing the listed program	UNQUALIFIED
G3000-220	Is the departure or qualification related to the Capital Fund or Low Rent Programs?	N/A

Federal Programs		
Element	Description	Value
G4000-020	Dollar Threshold Used to Distinguish Type A and Type B Programs	\$300,000
G4000-030	Low Risk Auditee Indicator	YES
G4000-040	Indicator-Any Audit Findings Disclosed that are Required to be Reported	NO
G4000-050	Was a Schedule of Prior Audit Findings prepared?	YES
G4100-040	Total Federal Awards Expended (This cell is populated by G4100-030 from the "Federal Award Details" Tab)	

THE HOUSING AND REDEVELOPMENT COMMISSION
OF THE CITY OF PIERRE, SOUTH DAKOTA
Financial Data Schedule
For the Year Ended June 30, 2013

Federal Award Details		
Element	Description	Details
G4100-030	Amount Expended	\$547,608
G4200-010	Major Federal Program Indicator	YES
G4200-050	Type of Opinion on Major Federal Program	UNMODIFIED
G4200-060	Number of A-133 Compliance Audit Findings	0
G4200-100	Significant Deficiency Indicator	NO
G4200-200	Number of Significant Deficiencies	0
G4200-110	Material Weakness Indicator	NO
G4200-210	Number of Material Weaknesses	0
G4200-120	Material Noncompliance Indicator	NO
G4200-220	Number of Material Noncompliance	0
G4200-070	Audit Finding Reference Number	
G4200-090	Are Awards Received Directly from a Federal Agency	YES
G4100-050	Total Amount of Questioned Costs	\$0

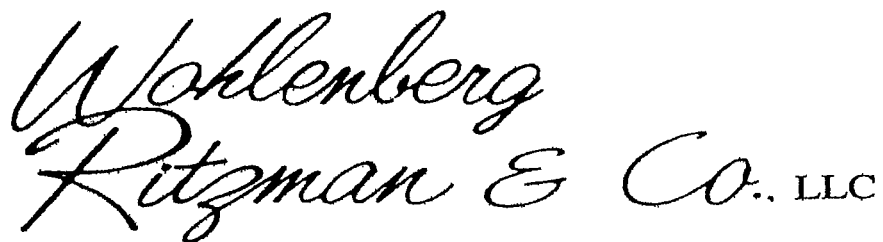
Supplemental Information		
Element	Description	Value
G3100-040	SAS 29 "in relation to" opinion on the Financial Data Schedule	FAIRLY STATED
G3100-050	Is MD&A omitted?	NO
G3100-060	Is other supplemental information omitted?	NO

**THE HOUSING AND REDEVELOPMENT COMMISSION
OF THE CITY OF PIERRE, SOUTH DAKOTA, A COMPONENT UNIT
OF THE CITY OF PIERRE, SOUTH DAKOTA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2013**

<u>Federal Grantor/Pass-Through Grantor Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Disbursements/ Expenditures</u>
U.S. DEPARTMENT OF THE HOUSING AND URBAN DEVELOPMENT:		
Direct Funding:		
Public and Indian Housing Program:		
(Operating Subsidy)	14.850	\$ 71,316
Capital Fund Program Cluster:		
Public Housing Capital Fund	14.872	
Grant - SD06P035501-09		\$ 3,195
Grant - SD06P035501-12		38,193
Grant - SD06P035501-13		<u>12,438</u>
		53,826
Section 8 Housing Choice Voucher Program	14.871	419,141
Passed through the South Dakota Housing Development Authority:		
HOME Investment Partnership Program :		
(Security Deposit Assistance Program)	14.239	<u>3,325</u>
Total Federal Funding		<u>\$ 547,608</u>

Note 1: This accompanying schedule of expenditures of federal awards includes the federal grant activity of the Housing Commission and is presented on the modified full accrual basis of accounting unless otherwise noted. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some of the amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the financial statements.



certified public accountants

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Commissioners
The Housing and Redevelopment Commission
of the City of Pierre, South Dakota

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of The Housing and Redevelopment Commission of the City of Pierre, South Dakota, a component unit of the City of Pierre, South Dakota (the Commission) as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements, and have issued our report thereon dated March 26, 2014.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Commission's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, as required by South Dakota Codified Law 4-11-11, this report is matter of public record and its distribution is not limited.

Wohlenberg Ritzman & Co., LLC

March 26, 2014
Yankton, South Dakota



certified public accountants

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY
OMB CIRCULAR A-133**

To the Board of Commissioners
The Housing and Redevelopment Commission
of the City of Pierre, South Dakota

Report on Compliance for Each Major Federal Program

We have audited the Housing and Redevelopment Commission of the City of Pierre, South Dakota, a component unit of the City of Pierre, South Dakota's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on the Commission's major federal programs for the year ended June 30, 2013. The Commission's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Commission's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Commission's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Commission's compliance.

Opinion on Each Major Federal Program

In our opinion, the Housing and Redevelopment Commission of the City of Pierre, South Dakota, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each major federal program for the year ended June 30, 2013.

Report on Internal Control over Compliance

Management of the Commission, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Commission's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to *merit* attention by those charged with governance.

Our consideration of internal control over compliance was for the *limited* purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose. As required by South Dakota Codified Law 4-11-11, this report and our report on compliance for each major federal program are matters of public record and their distribution is not limited.

Wohlberg Ritzman & Co., LLC

Yankton, South Dakota
March 26, 2014

**THE HOUSING AND REDEVELOPMENT COMMISSION
OF THE CITY OF PIERRE, SOUTH DAKOTA, A COMPONENT UNIT
OF THE CITY OF PIERRE, SOUTH DAKOTA**

**SCHEDULE OF PRIOR AUDIT FINDINGS
JUNE 30, 2013**

FINDINGS - FINANCIAL STATEMENTS AUDIT

There were no prior findings reported.

**FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS
AUDIT**

There were no prior findings reported.

**THE HOUSING AND REDEVELOPMENT COMMISSION
OF THE CITY OF PIERRE, SOUTH DAKOTA, A COMPONENT UNIT OF
THE CITY OF PIERRE, SOUTH DAKOTA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013**

SECTION I. SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- | | | |
|-------------------------------------|-----------------------|------------------------------------|
| • Material weakness(es) identified? | <u> </u> yes | <u> X </u> no |
| • Significant deficiencies? | <u> </u> yes | <u> X </u> none reported |

Noncompliance material to financial
statements noted?

 yes X no

Federal Awards

Internal control over major programs:

- | | | |
|-------------------------------------|-----------------------|------------------------------------|
| • Material weakness(es) identified? | <u> </u> yes | <u> X </u> no |
| • Significant deficiencies? | <u> </u> yes | <u> X </u> none reported |

Type of auditor's report issued on
compliance for major programs

Unmodified

Audit findings disclosed that are required to
be reported in accordance with Section
510(a) of OMB Circular A-133

 yes X no

Identification of major programs:

CFDA Numbers

14.871

Name of Federal Program or Cluster

Section 8 Housing Choice Voucher Program

Dollar Threshold used to distinguish
between Type A and Type B Programs:

\$300,000

Auditee qualified as low-risk auditee?

 X yes no

**THE HOUSING AND REDEVELOPMENT COMMISSION
OF THE CITY OF PIERRE, SOUTH DAKOTA, A COMPONENT UNIT OF
THE CITY OF PIERRE, SOUTH DAKOTA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS, continued
FOR THE YEAR ENDED JUNE 30, 2013**

SECTION II - FINDINGS - FINANCIAL STATEMENTS AUDIT

There are no findings reported.

**SECTION III - FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD
PROGRAMS AUDIT**

There are no major federal award program findings reported.